



HEALTH ANNUAL STATEMENT  
FOR THE YEAR ENDING DECEMBER 31, 2005  
OF THE CONDITION AND AFFAIRS OF THE

Grand Valley Health Plan

NAIC Group Code	0000	0000	NAIC Company Code	95453	Employer's ID Number	38-2396958
	(Current Period)	(Prior Period)				
Organized under the Laws of	Michigan			State of Domicile or Port of Entry	Michigan	
Country of Domicile	United States of America					
Licensed as business type:	Life, Accident & Health [ ]		Property/Casualty [ ]		Dental Service Corporation [ ]	
	Vision Service Corporation [ ]		Other [ ]		Health Maintenance Organization [ X ]	
	Hospital, Medical & Dental Service or Indemnity [ ]		Is HMO, Federally Qualified? Yes [ X ]		No [ ]	
Incorporated/Organized	12/03/1981		Commenced Business	02/05/1982		
Statutory Home Office	829 Forest Hills Ave SE			Grand Rapids, MI 49546		
	(Street and Number)			(City or Town, State and Zip Code)		
Main Administrative Office	829 Forest Hills Ave			616-949-2410-119		
	Grand Rapids, MI 49546			(Area Code) (Telephone Number)		
	(City or Town, State and Zip Code)					
Mail Address	829 Forest Hills Ave SE			Grand Rapids, MI 49546		
	(Street and Number or P.O. Box)			(City or Town, State and Zip Code)		
Primary Location of Books and Records	829 Forest Hills Ave			616-949-2410-116		
	Grand Rapids, MI 49546			(Area Code) (Telephone Number)		
	(City or Town, State and Zip Code)					
Internet Website Address	gvhp.com					
Statutory Statement Contact	Roberta Lynn Fehrle Ms.			616-949-2410-116		
	(Name)			(Area Code) (Telephone Number) (Extension)		
	fehrler@gvhp.com			616-949-9948		
	(E-mail Address)			(FAX Number)		
Policyowner Relations Contact	829 Forest Hills Ave SE					
	(Street and Number)					
	Grand Rapids, MI 49546			616-949-2410		
	(City or Town, State and Zip Code)			(Area Code) (Telephone Number) (Extension)		

OFFICERS

Name	Title	Name	Title
Roland Palmer	President	Thomas Schouten	Secretary
Craig Thompson	Treasurer		

OTHER OFFICERS

DIRECTORS OR TRUSTEES

Roland E Palmer	Thomas W Schouten	James T Kerby	Lucille I Grimm
Carole Nugent #	Pamela L Silva	John B Miller	Herbert A Start
Kathy L Lentz	Margaret Sudekum		

State of .....Michigan.....  
County of .....Kent.....

The officers of this reporting entity, being duly sworn, each depose and say that they are the described officers of said reporting entity, and that on the reporting period stated above, all of the herein described assets were the absolute property of the said reporting entity, free and clear from any liens or claims thereon, except as herein stated, and that this statement, together with related exhibits, schedules and explanations therein contained, annexed or referred to is a full and true statement of all the assets and liabilities and of the condition and affairs of the said reporting entity as of the reporting period stated above, and of its income and deductions therefrom for the period ended, and have been completed in accordance with the NAIC Annual Statement Instructions and Accounting Practices and Procedures manual except to the extent that: (1) state law may differ; or, (2) that state rules or regulations require differences in reporting not related to accounting practices and procedures, according to the best of their information, knowledge and belief, respectively. Furthermore, the scope of this attestation by the described officers also includes the related corresponding electronic filing with the NAIC, when required, that is an exact copy (except for formatting differences due to electronic filing) of the enclosed statement. The electronic filing may be requested by various regulators in lieu of or in addition to the enclosed statement.

Roland Palmer President	Thomas Schouten Secretary	Craig Thompson Treasurer
Subscribed and sworn to before me this 1 day of March, 2006		a. Is this an original filing? Yes [ X ] No [ ] b. If no, 1. State the amendment number 2. Date filed 03/01/2006 3. Number of pages attached
Renay Ake Notary 092908		

ANNUAL STATEMENT FOR THE YEAR 2005 OF THE Grand Valley Health Plan

ASSETS

	Current Year			Prior Year
	1	2	3	4
	Assets	Nonadmitted Assets	Net Admitted Assets (Cols. 1 - 2)	Net Admitted Assets
1. Bonds (Schedule D).....	.0		.0	.0
2. Stocks (Schedule D):				
2.1 Preferred stocks .....	.0		.0	.0
2.2 Common stocks .....	.0		.0	.0
3. Mortgage loans on real estate (Schedule B):				
3.1 First liens .....			.0	.0
3.2 Other than first liens .....			.0	.0
4. Real estate (Schedule A):				
4.1 Properties occupied by the company (less \$ ..... encumbrances).....	1,251,834	115,937	1,135,897	1,213,201
4.2 Properties held for the production of income (less \$ ..... encumbrances) .....			.0	.0
4.3 Properties held for sale (less \$ ..... encumbrances) .....			.0	.0
5. Cash (\$ .....7,184,802 , Schedule E, Part 1), cash equivalents (\$ .....0 , Schedule E, Part 2) and short-term investments (\$ .....1,075,359 , Schedule DA).....	8,260,161		8,260,161	6,143,134
6. Contract loans, (including \$ .....premium notes)			.0	.0
7. Other invested assets (Schedule BA) .....	749,388	.0	749,388	758,649
8. Receivables for securities .....			.0	.0
9. Aggregate write-ins for invested assets .....	.0	.0	.0	.0
10. Subtotals, cash and invested assets (Lines 1 to 9) .....	10,261,383	115,937	10,145,446	8,114,984
11. Title plants less \$ .....charged off (for Title Insurers only) .....			.0	.0
12. Investment income due and accrued .....			.0	.0
13. Premiums and considerations:				
13.1 Uncollected premiums and agents' balances in the course of collection .....	798,241		798,241	510,446
13.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$ .....earned but unbilled premium).....			.0	.0
13.3 Accrued retrospective premium.....			.0	.0
14. Reinsurance:				
14.1 Amounts recoverable from reinsurers .....	318,367		318,367	563,316
14.2 Funds held by or deposited with reinsured companies .....			.0	.0
14.3 Other amounts receivable under reinsurance contracts .....			.0	.0
15. Amounts receivable relating to uninsured plans .....			.0	.0
16.1 Current federal and foreign income tax recoverable and interest thereon .....	411,660		411,660	281,000
16.2 Net deferred tax asset.....	517,000	103,000	414,000	414,000
17. Guaranty funds receivable or on deposit .....			.0	.0
18. Electronic data processing equipment and software.....	160,853	11,218	149,635	111,075
19. Furniture and equipment, including health care delivery assets (\$ .....495,282 ) .....	671,859	78,749	593,110	511,050
20. Net adjustment in assets and liabilities due to foreign exchange rates .....			.0	.0
21. Receivables from parent, subsidiaries and affiliates .....	1,386		1,386	552,459
22. Health care (\$ .....33,576 ) and other amounts receivable.....	33,576		33,576	44,986
23. Aggregate write-ins for other than invested assets .....	134,374	134,374	.0	.0
24. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 10 to 23).....	13,308,699	443,278	12,865,421	11,103,316
25. From Separate Accounts, Segregated Accounts and Protected Cell Accounts.....			.0	.0
26. Total (Lines 24 and 25)	13,308,699	443,278	12,865,421	11,103,316
<b>DETAILS OF WRITE-INS</b>				
0901. ....			.0	.0
0902. ....				
0903. ....				
0998. Summary of remaining write-ins for Line 9 from overflow page .....	.0	.0	.0	.0
0999. Totals (Lines 0901 thru 0903 plus 0998) (Line 9 above)	0	0	0	0
2301. Pharmacy Inventory.....	134,374	134,374	.0	.0
2302. A/R Other .....	.0		.0	.0
2303. ....				
2398. Summary of remaining write-ins for Line 23 from overflow page .....	.0	.0	.0	.0
2399. Totals (Lines 2301 thru 2303 plus 2398) (Line 23 above)	134,374	134,374	0	0

LIABILITIES, CAPITAL AND SURPLUS

	Current Year			Prior Year
	1 Covered	2 Uncovered	3 Total	4 Total
1. Claims unpaid (less \$ ..... reinsurance ceded)	5,924,263		5,924,263	3,979,382
2. Accrued medical incentive pool and bonus amounts			0	0
3. Unpaid claims adjustment expenses	179,810		179,810	135,162
4. Aggregate health policy reserves			0	0
5. Aggregate life policy reserves			0	0
6. Property/casualty unearned premium reserves			0	0
7. Aggregate health claim reserves			0	0
8. Premiums received in advance	446,350		446,350	725,843
9. General expenses due or accrued	1,165,153		1,165,153	1,105,320
10.1 Current federal and foreign income tax payable and interest thereon (including \$ ..... on realized capital gains (losses))			0	0
10.2 Net deferred tax liability			0	0
11. Ceded reinsurance premiums payable			0	0
12. Amounts withheld or retained for the account of others			0	0
13. Remittance and items not allocated			0	0
14. Borrowed money (including \$ ..... current) and interest thereon \$ ..... (including \$ ..... current)			0	0
15. Amounts due to parent, subsidiaries and affiliates	237,433		237,433	36,075
16. Payable for securities			0	0
17. Funds held under reinsurance treaties with (\$ ..... authorized reinsurers and \$ ..... unauthorized reinsurers)			0	0
18. Reinsurance in unauthorized companies			0	0
19. Net adjustments in assets and liabilities due to foreign exchange rates			0	0
20. Liability for amounts held under uninsured accident and health plans			0	0
21. Aggregate write-ins for other liabilities (including \$ ..... current)	5,000	0	5,000	5,000
22. Total liabilities (Lines 1 to 21)	7,958,009	0	7,958,009	5,986,782
23. Aggregate write-ins for special surplus funds	XXX	XXX	0	0
24. Common capital stock	XXX	XXX	312,996	312,996
25. Preferred capital stock	XXX	XXX		0
26. Gross paid in and contributed surplus	XXX	XXX	1,212,872	1,212,872
27. Surplus notes	XXX	XXX	500,000	500,000
28. Aggregate write-ins for other than special surplus funds	XXX	XXX	0	0
29. Unassigned funds (surplus)	XXX	XXX	2,881,542	3,090,666
30. Less treasury stock, at cost:				
30.1 ..... shares common (value included in Line 24 \$ ..... )	XXX	XXX		0
30.2 ..... shares preferred (value included in Line 25 \$ ..... )	XXX	XXX		0
31. Total capital and surplus (Lines 23 to 29 minus Line 30)	XXX	XXX	4,907,410	5,116,534
32. Total liabilities, capital and surplus (Lines 22 and 31)	XXX	XXX	12,865,419	11,103,316
DETAILS OF WRITE-INS				
2101. Accrued Malpractice Tail	5,000		5,000	5,000
2102.				
2103.				
2198. Summary of remaining write-ins for Line 21 from overflow page	0	0	0	0
2199. Totals (Lines 2101 thru 2103 plus 2198) (Line 21 above)	5,000	0	5,000	5,000
2301.	XXX	XXX		
2302.	XXX	XXX		
2303.	XXX	XXX		
2398. Summary of remaining write-ins for Line 23 from overflow page	XXX	XXX	0	0
2399. Totals (Lines 2301 thru 2303 plus 2398) (Line 23 above)	XXX	XXX	0	0
2801.	XXX	XXX		
2802.	XXX	XXX		
2803.	XXX	XXX		
2898. Summary of remaining write-ins for Line 28 from overflow page	XXX	XXX	0	0
2899. Totals (Lines 2801 thru 2803 plus 2898) (Line 28 above)	XXX	XXX	0	0

STATEMENT OF REVENUE AND EXPENSES

	Current Year		Prior Year
	1 Uncovered	2 Total	3 Total
1. Member Months.....	XXX	193,573	218,178
2. Net premium income (including \$ .....0 non-health premium income).....	XXX	45,117,421	45,288,684
3. Change in unearned premium reserves and reserve for rate credits .....	XXX		0
4. Fee-for-service (net of \$ .....352,175 medical expenses) .....	XXX	414,323	440,257
5. Risk revenue .....	XXX		0
6. Aggregate write-ins for other health care related revenues .....	XXX	0	0
7. Aggregate write-ins for other non-health revenues .....	XXX	0	0
8. Total revenues (Lines 2 to 7) .....	XXX	45,531,744	45,728,941
<b>Hospital and Medical:</b>			
9. Hospital/medical benefits .....	2,339,579	31,448,971	29,392,185
10. Other professional services .....	194,696	2,722,734	3,026,470
11. Outside referrals .....			0
12. Emergency room and out-of-area .....	471,105	1,069,691	798,611
13. Prescription drugs .....		6,840,640	6,954,243
14. Aggregate write-ins for other hospital and medical.....	11,011	228,266	224,175
15. Incentive pool, withhold adjustments and bonus amounts.....			0
16. Subtotal (Lines 9 to 15) .....	3,016,391	42,310,302	40,395,684
<b>Less:</b>			
17. Net reinsurance recoveries .....		324,896	536,165
18. Total hospital and medical (Lines 16 minus 17) .....	3,016,391	41,985,406	39,859,519
19. Non-health claims (net).....			0
20. Claims adjustment expenses, including \$ .....0 cost containment expenses.....		395,482	334,412
21. General administrative expenses.....		4,012,461	4,502,836
22. Increase in reserves for life and accident and health contracts (including \$ ..... increase in reserves for life only).....		0	0
23. Total underwriting deductions (Lines 18 through 22) .....	3,016,391	46,393,349	44,696,767
24. Net underwriting gain or (loss) (Lines 8 minus 23) .....	XXX	(861,605)	1,032,174
25. Net investment income earned (Exhibit of Net Investment Income, Line 17).....		477,309	369,119
26. Net realized capital gains (losses) less capital gains tax of \$ .....			0
27. Net investment gains (losses) (Lines 25 plus 26) .....	0	477,309	369,119
28. Net gain or (loss) from agents' or premium balances charged off [(amount recovered \$ ..... ) (amount charged off \$ ..... )] .....			0
29. Aggregate write-ins for other income or expenses .....	0	0	0
30. Net income or (loss) after capital gains tax and before all other federal income taxes (Lines 24 plus 27 plus 28 plus 29).....	XXX	(384,296)	1,401,293
31. Federal and foreign income taxes incurred .....	XXX	(130,660)	447,650
32. Net income (loss) (Lines 30 minus 31) .....	XXX	(253,636)	953,643
<b>DETAILS OF WRITE-INS</b>			
0601. Copayments.....	XXX		0
0602. ....	XXX		0
0603. ....	XXX		
0698. Summary of remaining write-ins for Line 6 from overflow page .....	XXX	0	0
0699. Totals (Lines 0601 thru 0603 plus 0698) (Line 6 above) .....	XXX	0	0
0701. ....	XXX		
0702. ....	XXX		
0703. ....	XXX		
0798. Summary of remaining write-ins for Line 7 from overflow page .....	XXX	0	0
0799. Totals (Lines 0701 thru 0703 plus 0798) (Line 7 above) .....	XXX	0	0
1401. Other Medical.....	11,011	228,266	224,175
1402. ....			
1403. ....			
1498. Summary of remaining write-ins for Line 14 from overflow page .....	0	0	0
1499. Totals (Lines 1401 thru 1403 plus 1498) (Line 14 above) .....	11,011	228,266	224,175
2901. ....			
2902. ....			
2903. ....			
2998. Summary of remaining write-ins for Line 29 from overflow page .....	0	0	0
2999. Totals (Lines 2901 thru 2903 plus 2998) (Line 29 above) .....	0	0	0

CAPITAL AND SURPLUS ACCOUNT

	1 Current Year	2 Prior Year
<b>CAPITAL AND SURPLUS ACCOUNT:</b>		
33. Capital and surplus prior-reporting period .....	5,116,532	3,758,752
<b>GAINS AND LOSSES TO CAPITAL &amp; SURPLUS:</b>		
34. Net income or (loss) from Line 32 .....	(253,636)	953,643
35. Change in valuation basis of aggregate policy and claim reserves .....		0
36. Change in net unrealized capital gains (losses) less capital gains tax of \$ .....		0
37. Change in net unrealized foreign exchange capital gain or (loss) .....		0
38. Change in net deferred income tax .....		0
39. Change in nonadmitted assets .....	44,513	404,137
40. Change in unauthorized reinsurance .....	0	0
41. Change in treasury stock .....	0	0
42. Change in surplus notes .....	0	0
43. Cumulative effect of changes in accounting principles .....		0
44. Capital Changes:		
44.1 Paid in .....	0	0
44.2 Transferred from surplus (Stock Dividend) .....		0
44.3 Transferred to surplus .....		0
45. Surplus adjustments:		
45.1 Paid in .....	0	0
45.2 Transferred to capital (Stock Dividend) .....	0	0
45.3 Transferred from capital .....		0
46. Dividends to stockholders .....		0
47. Aggregate write-ins for gains or (losses) in surplus .....	0	0
48. Net change in capital & surplus (Lines 34 to 47) .....	(209,123)	1,357,780
49. Capital and surplus end of reporting period (Line 33 plus 48)	4,907,409	5,116,532
<b>DETAILS OF WRITE-INS</b>		
4701. ....		
4702. ....		
4703. ....		
4798. Summary of remaining write-ins for Line 47 from overflow page .....	0	0
4799. Totals (Lines 4701 thru 4703 plus 4798) (Line 47 above)	0	0

CASH FLOW

	1 Current Year To Date	2 Prior Year Ended December 31
<b>Cash from Operations</b>		
1. Premiums collected net of reinsurance.....	44,829,626	45,039,840
2. Net investment income .....	477,309	369,119
3. Miscellaneous income .....	414,323	440,257
4. Total (Lines 1 to 3) .....	45,721,258	45,849,216
5. Benefits and loss related payments .....	39,750,928	39,846,136
6. Net transfers to Separate, Segregated Accounts and Protected Cell Accounts.....		0
7. Commissions, expenses paid and aggregate write-ins for deductions .....	4,627,601	4,270,838
8. Dividends paid to policyholders .....		0
9. Federal and foreign income taxes paid (recovered) \$ ..... net of tax on capital gains (losses)	0	960,644
10. Total (Lines 5 through 9) .....	44,378,529	45,077,618
11. Net cash from operations (Line 4 minus Line 10) .....	1,342,729	771,598
<b>Cash from Investments</b>		
12. Proceeds from investments sold, matured or repaid:		
12.1 Bonds .....	0	0
12.2 Stocks .....	0	0
12.3 Mortgage loans .....	0	0
12.4 Real estate .....	0	0
12.5 Other invested assets .....	86,562	58,391
12.6 Net gains or (losses) on cash, cash equivalents and short-term investments .....	0	0
12.7 Miscellaneous proceeds .....	0	0
12.8 Total investment proceeds (Lines 12.1 to 12.7) .....	86,562	58,391
13. Cost of investments acquired (long-term only):		
13.1 Bonds .....	0	0
13.2 Stocks .....	0	0
13.3 Mortgage loans .....	0	0
13.4 Real estate .....	0	0
13.5 Other invested assets .....	0	0
13.6 Miscellaneous applications .....	0	0
13.7 Total investments acquired (Lines 13.1 to 13.6) .....	0	0
14. Net increase (or decrease) in contract loans and premium notes .....	0	0
15. Net cash from investments (Line 12.8 minus Line 13.7 and Line 14) .....	86,562	58,391
<b>Cash from Financing and Miscellaneous Sources</b>		
16. Cash provided (applied):		
16.1 Surplus notes, capital notes .....	0	0
16.2 Capital and paid in surplus, less treasury stock.....	0	(1)
16.3 Borrowed funds .....	0	0
16.4 Net deposits on deposit-type contracts and other insurance liabilities .....		0
16.5 Dividends to stockholders .....	0	0
16.6 Other cash provided (applied).....	687,735	361,063
17. Net cash from financing and miscellaneous sources (Line 16.1 to Line 16.4 minus Line 16.5 plus Line 16.6) .....	687,735	361,062
<b>RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS</b>		
18. Net change in cash, cash equivalents and short-term investments (Line 11 plus Line 15 plus Line 17) .....	2,117,026	1,191,051
19. Cash, cash equivalents and short-term investments:		
19.1 Beginning of year .....	6,143,132	4,952,081
19.2 End of period (Line 18 plus Line 19.1).....	8,260,158	6,143,132

ANNUAL STATEMENT FOR THE YEAR 2005 OF THE Grand Valley Health Plan

ANALYSIS OF OPERATIONS BY LINES OF BUSINESS (Gain and Loss Exhibit)

	1	2	3	4	5	6	7	8	9	10	11	12	13
	Total	Comprehensive (Hospital & Medical)	Medicare Supplement	Dental Only	Vision Only	Federal Employees Health Benefit Plan	Title XVIII Medicare	Title XIX Medicaid	Stop Loss	Disability Income	Long-term Care	Other Health	Other Non-Health
1. Net premium income .....	45,117,421	39,312,030	.0	.0	.0	5,805,391	.0	.0	.0	.0	.0	.0	.0
2. Change in unearned premium reserves and reserve for rate credit .....	.0												
3. Fee-for-service (net of \$ medical expenses) .....	414,323	361,487				52,836							XXX
4. Risk revenue .....	.0												XXX
5. Aggregate write-ins for other health care related revenues .....	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	XXX
6. Aggregate write-ins for other non-health care related revenues .....	.0	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	.0
7. Total revenues (Lines 1 to 6) .....	45,531,744	39,673,517	.0	.0	.0	5,858,227	.0	.0	.0	.0	.0	.0	.0
8. Hospital/medical/ benefits .....	31,448,971	27,438,501				4,010,470							XXX
9. Other professional services .....	2,722,734	2,375,523				347,211							XXX
10. Outside referrals .....	.0												XXX
11. Emergency room and out-of-area .....	1,069,691	933,281				136,410							XXX
12. Prescription Drugs .....	6,840,640	5,968,300				872,340							XXX
13. Aggregate write-ins for other hospital and medical .....	228,266	199,157	.0	.0	.0	29,109	.0	.0	.0	.0	.0	.0	XXX
14. Incentive pool, withhold adjustments and bonus amounts .....	.0												XXX
15. Subtotal (Lines 8 to 14) .....	42,310,302	36,914,762	.0	.0	.0	5,395,540	.0	.0	.0	.0	.0	.0	XXX
16. Net reinsurance recoveries .....	324,896	283,464				41,432							XXX
17. Total medical and hospital (Lines 15 minus 16) .....	41,985,406	36,631,298	.0	.0	.0	5,354,108	.0	.0	.0	.0	.0	.0	XXX
18. Non-health claims (net) .....	.0	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	.0
19. Claims adjustment expenses including \$ cost containment expenses .....	395,482	345,049				50,433							
20. General administrative expenses .....	4,012,459	3,500,778				511,681							
21. Increase in reserves for accident and health contracts .....	.0												XXX
22. Increase in reserves for life contracts .....	.0	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	
23. Total underwriting deductions (Lines 17 to 22) .....	46,393,347	40,477,125	.0	.0	.0	5,916,222	.0	.0	.0	.0	.0	.0	.0
24. Total underwriting gain or (loss) (Line 7 minus Line 23) .....	(861,603)	(803,608)	0	0	0	(57,995)	0	0	0	0	0	0	0
DETAILS OF WRITE-INS													
0501. ....													XXX
0502. ....													XXX
0503. ....													XXX
0598. Summary of remaining write-ins for Line 5 from overflow page .....	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	XXX
0599. Totals (Lines 0501 thru 0503 plus 0598) (Line 5 above) .....	0	0	0	0	0	0	0	0	0	0	0	0	XXX
0601. ....		XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	
0602. ....		XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	
0603. ....		XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	
0698. Summary of remaining write-ins for Line 6 from overflow page .....	.0	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	.0
0699. Totals (Lines 0601 thru 0603 plus 0698) (Line 6 above) .....	0	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	0
1301. ....	228,266	199,157				29,109							XXX
1302. ....													XXX
1303. ....													XXX
1398. Summary of remaining write-ins for Line 13 from overflow page .....	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	XXX
1399. Totals (Lines 1301 thru 1303 plus 1398) (Line 13 above) .....	228,266	199,157	0	0	0	29,109	0	0	0	0	0	0	XXX

UNDERWRITING AND INVESTMENT EXHIBIT  
PART 1 - PREMIUMS

	1	2	3	4
Line of Business	Direct Business	Reinsurance Assumed	Reinsurance Ceded	Net Premium Income (Cols. 1+2-3)
1. Comprehensive (hospital and medical) .....	39,735,848		423,818	39,312,030
2. Medicare Supplement .....				.0
3. Dental Only.....				.0
4. Vision Only.....				.0
5. Federal Employees Health Benefits Plan .....	5,867,337		61,946	5,805,391
6. Title XVIII - Medicare .....				.0
7. Title XIX - Medicaid.....				.0
8. Stop Loss .....				.0
9. Disability Income .....				.0
10. Long-term care .....				.0
11. Other health.....				.0
12. Health subtotal (Lines 1 through 11) .....	45,603,185	0	485,764	45,117,421
13. Life .....				.0
14. Property/Casualty.....				.0
15. Totals (Lines 12 to 14)	45,603,185	0	485,764	45,117,421



STATEMENT AS OF ANNUAL STATEMENT FOR THE YEAR 2005 OF THE Grand Valley Health Plan

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2 - Claims Incurred During the Year

	1	2	3	4	5	6	7	8	9	10	11	12	13
	Total	Comprehensive (Hospital & Medical)	Medicare Supplement	Dental Only	Vision Only	Federal Employees Health Benefits Plan	Title XVIII Medicare	Title XIX Medicaid	Stop Loss	Disability Income	Long-Term Care	Other Health	Other Non- Health
1. Payments during the year:													
1.1 Direct .....	40,331,845	35,188,604				5,143,241							
1.2 Reinsurance assumed .....	0	0											
1.3 Reinsurance ceded .....	348,848	304,362				44,486							
1.4 Net .....	39,982,997	34,884,242	0	0	0	5,098,755	0	0	0	0	0	0	0
2. Paid medical incentive pools and bonuses .....	0												
3. Claim liability December 31, current year from Part 2A:													
3.1 Direct .....	5,924,263	5,168,783	0	0	0	755,480	0	0	0	0	0	0	0
3.3 Reinsurance assumed .....	0	0	0	0	0	0	0	0	0	0	0	0	0
3.3 Reinsurance ceded .....	0	0	0	0	0	0	0	0	0	0	0	0	0
3.4 Net .....	5,924,263	5,168,783	0	0	0	755,480	0	0	0	0	0	0	0
4. Claim reserve December 31, current year from Part 2D:													
4.1 Direct .....	0												
4.2 Reinsurance assumed .....	0												
4.3 Reinsurance ceded .....	0	0	0	0	0	0	0	0	0	0	0	0	0
4.4 Net .....	0	0	0	0	0	0	0	0	0	0	0	0	0
5. Accrued medical incentive pools and bonuses, current year .....	0												
6. Net healthcare receivables (a) .....	33,576	33,576											
7. Amounts recoverable from reinsurers December 31, current year .....	318,367	277,768				40,599							
8. Claim liability December 31, prior year from Part 2A:													
8.1 Direct .....	3,979,382	3,487,349	0	0	0	492,033	0	0	0	0	0	0	0
8.2 Reinsurance assumed .....	0	0	0	0	0	0	0	0	0	0	0	0	0
8.3 Reinsurance ceded .....	0	0	0	0	0	0	0	0	0	0	0	0	0
8.4 Net .....	3,979,382	3,487,349	0	0	0	492,033	0	0	0	0	0	0	0
9. Claim reserve December 31, prior year from Part 2D:													
9.1 Direct .....	0	0	0	0	0	0	0	0	0	0	0	0	0
9.2 Reinsurance assumed .....	0	0	0	0	0	0	0	0	0	0	0	0	0
9.3 Reinsurance ceded .....	0	0	0	0	0	0	0	0	0	0	0	0	0
9.4 Net .....	0	0	0	0	0	0	0	0	0	0	0	0	0
10. Accrued medical incentive pools and bonuses, prior year .....	0	0	0	0	0	0	0	0	0	0	0	0	0
11. Amounts recoverable from reinsurers December 31, prior year .....	563,316	493,664	0	0	0	69,652	0	0	0	0	0	0	0
12. Incurred Benefits:													
12.1 Direct .....	42,310,302	36,903,614	0	0	0	5,406,688	0	0	0	0	0	0	0
12.2 Reinsurance assumed .....	0	0	0	0	0	0	0	0	0	0	0	0	0
12.3 Reinsurance ceded .....	103,899	88,466	0	0	0	15,433	0	0	0	0	0	0	0
12.4 Net .....	42,206,403	36,815,148	0	0	0	5,391,255	0	0	0	0	0	0	0
13. Incurred medical incentive pools and bonuses .....	0	0	0	0	0	0	0	0	0	0	0	0	0

(a) Excludes \$ loans or advances to providers not yet expensed.

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2A - Claims Liability End of Current Year

	1	2	3	4	5	6	7	8	9	10	11	12	13
	Total	Comprehensive (Medical & Hospital)	Medicare Supplement	Dental Only	Vision Only	Federal Employees Health Benefits Plan Premium	Title XVIII Medicare	Title XIX Medicaid	Stop Loss	Disability Income	Long-Term Care	Other Health	Other Non-Health
1. Reported in Process of Adjustment:													
1.1. Direct .....	3,501,369	3,054,864				446,505							
1.2. Reinsurance assumed .....	0												
1.3. Reinsurance ceded .....	0												
1.4. Net .....	3,501,369	3,054,864	0	0	0	446,505	0	0	0	0	0	0	0
2. Incurred but Unreported:													
2.1. Direct .....	2,422,894	2,113,919				308,975							
2.2. Reinsurance assumed .....	0												
2.3. Reinsurance ceded .....	0												
2.4. Net .....	2,422,894	2,113,919	0	0	0	308,975	0	0	0	0	0	0	0
3. Amounts Withheld from Paid Claims and Capitations:													
3.1. Direct .....	0												
3.2. Reinsurance assumed .....	0												
3.3. Reinsurance ceded .....	0												
3.4. Net .....	0	0	0	0	0	0	0	0	0	0	0	0	0
4. TOTALS:													
4.1. Direct .....	5,924,263	5,168,783	0	0	0	755,480	0	0	0	0	0	0	0
4.2. Reinsurance assumed .....	0	0	0	0	0	0	0	0	0	0	0	0	0
4.3. Reinsurance ceded .....	0	0	0	0	0	0	0	0	0	0	0	0	0
4.4. Net .....	5,924,263	5,168,783	0	0	0	755,480	0	0	0	0	0	0	0

UNDERWRITING AND INVESTMENT EXHIBIT  
PART 2B - ANALYSIS OF CLAIMS UNPAID - PRIOR YEAR - NET OF REINSURANCE

Line of Business	Claims Paid During the Year		Claim Reserve and Claim Liability Dec. 31 of Current Year		5  Claims Incurred in Prior Years (Columns 1 + 3)	6  Estimated Claim Reserve and Claim Liability December 31 of Prior Year
	1  On Claims Incurred Prior to January 1 of Current Year	2  On Claims Incurred During the Year	3  On Claims Unpaid December 31 of Prior Year	4  On Claims Incurred During the Year		
1. Comprehensive (hospital and medical) .....	3,260,716	32,503,602	101,978	5,189,592	3,362,694	3,487,349
2. Medicare Supplement .....					.0	.0
3. Dental Only.....					.0	.0
4. Vision Only.....					.0	.0
5. Federal Employees Health Benefits Plan Premiums .....	389,872	3,886,335	12,193	620,500	402,065	492,033
6. Title XVIII - Medicare .....					.0	.0
7. Title XIX - Medicaid.....					.0	.0
8. Other health .....					.0	.0
9. Health subtotal (Lines 1 to 8).....	3,650,588	36,389,937	114,171	5,810,092	3,764,759	3,979,382
10. Healthcare receivables (a).....					.0	
11. Other non-health.....					.0	.0
12. Medical incentive pools and bonus amounts .....					.0	.0
13. Totals (Lines 9 - 10 + 11 + 12)	3,650,588	36,389,937	114,171	5,810,092	3,764,759	3,979,382

(a) Excludes \$ .....loans or advances to providers not yet expensed.

UNDERWRITING AND INVESTMENT EXHIBIT  
PART 2C - DEVELOPMENT OF PAID AND INCURRED HEALTH CLAIMS  
(000 Omitted)

Section A – Paid Health Claims - Hospital and Medical

Year in Which Losses Were Incurred	Cumulative Net Amounts Paid				
	1 2001	2 2002	3 2003	4 2004	5 2005
1. Prior .....	4,118,466	53,988	83,684	.0	.7
2. 2001.....	.0	3,284,573	141,713	.0	.0
3. 2002.....	XXX	3,326,976	3,276,975	.19	.13
4. 2003.....	XXX	XXX	21,869,294	2,767	.30
5. 2004.....	XXX	XXX	XXX	22,042	3,650
6. 2005.....	XXX	XXX	XXX	XXX	22,647

Section B – Incurred Health Claims - Hospital and Medical

Year in Which Losses Were Incurred	Sum of Cumulative Net Amount Paid and Claim Liability, Claim Reserve and Medical Incentive Pool and Bonuses Outstanding at End of Year				
	1 2001	2 2002	3 2003	4 2004	5 2005
1. Prior .....	4,766	53	8		
2. 2001.....	17,059	45	144		.7
3. 2002.....	XXX	37,449	3,288	.18	.17
4. 2003.....	XXX	XXX	25,922	2,962	.139
5. 2004.....	XXX	XXX	XXX	26,021	3,766
6. 2005.....	XXX	XXX	XXX	XXX	28,572

Section C – Incurred Year Health Claims and Claims Adjustment Expense Ratio – Hospital and Medical

Years in which Premiums were Earned and Claims were Incurred	1  Premiums Earned	2  Claim Payments	3  Claim Adjustment Expense Payments	4  Col. (3/2) Percent	5  Claim and Claim Adjustment Expense Payments (Col 2+3)	6  Col. (5/1) Percent	7  Claims Unpaid	8  Unpaid Claim Adjustment Expenses	9  Total Claims and Claims Adjustment Expense Incurred (Col. 5+7+8)	10  Col. (9/1) Percent
1. 2001.....	35,979	.0	.184	0.0	.184	0.5	.0	.0	.184	0.5
2. 2002.....	38,979	.13	.218	1,676.9	.231	0.6	.0	.0	.231	0.6
3. 2003.....	41,990	.30	.294	980.0	.324	0.8	.0	.23	.347	0.8
4. 2004.....	45,289	3,650	.334	9.2	3,984	8.8	.0	.135	4,119	9.1
5. 2005.....	45,117	22,647	.395	1.7	23,042	51.1	5,924	179	29,145	64.6

UNDERWRITING AND INVESTMENT EXHIBIT  
PART 2C - DEVELOPMENT OF PAID AND INCURRED HEALTH CLAIMS  
(000 Omitted)

Section A - Paid Health Claims - Grand Total

Year in Which Losses Were Incurred	Cumulative Net Amounts Paid				
	1 2001	2 2002	3 2003	4 2004	5 2005
1. Prior .....	4,118,466	53,988	83,684	.0	.7
2. 2001.....	.0	3,284,573	141,713	.0	.0
3. 2002.....	XXX	3,326,976	3,276,975	.19	.13
4. 2003.....	XXX	XXX	21,869,294	2,767	.30
5. 2004.....	XXX	XXX	XXX	22,042	3,650
6. 2005.....	XXX	XXX	XXX	XXX	22,647

Section B - Incurred Health Claims - Grand Total

Year in Which Losses Were Incurred	Sum of Cumulative Net Amount Paid and Claim Liability, Claim Reserve and Medical Incentive Pool and Bonuses Outstanding at End of Year				
	1 2001	2 2002	3 2003	4 2004	5 2005
1. Prior .....	4,766	53	.8	.0	.0
2. 2001.....	17,059	45	144	.0	.7
3. 2002.....	XXX	37,449	3,288	.18	.17
4. 2003.....	XXX	XXX	25,922	2,962	.139
5. 2004.....	XXX	XXX	XXX	26,021	3,766
6. 2005.....	XXX	XXX	XXX	XXX	28,572

Section C – Incurred Year Health Claims and Claims Adjustment Expense Ratio – Grand Total

Years in which Premiums were Earned and Claims were Incurred	1  Premiums Earned	2  Claim Payments	3  Claim Adjustment Expense Payments	4  Col. (3/2) Percent	5  Claim and Claim Adjustment Expense Payments (Col 2+3)	6  Col. (5/1) Percent	7  Claims Unpaid	8  Unpaid Claim Adjustment Expenses	9  Total Claims and Claims Adjustment Expense Incurred (Col. 5+7+8)	10  Col. (9/1) Percent
1. 2001.....	35,979	.0	.184	.0 .0	.184	.0 .5	.0	.0	.184	.0 .5
2. 2002.....	38,979	.13	.218	1,676 .9	.231	.0 .6	.0	.0	.231	.0 .6
3. 2003.....	41,990	.30	.294	980 .0	.324	.0 .8	.0	.23	.347	.0 .8
4. 2004.....	45,289	3,650	.334	9 .2	3,984	8 .8	.0	.135	4,119	9 .1
5. 2005.....	45,117	22,647	.395	1 .7	23,042	51 .1	5,924	179	29,145	64 .6

ANNUAL STATEMENT FOR THE YEAR 2005 OF THE Grand Valley Health Plan

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2D - AGGREGATE RESERVE FOR ACCIDENT AND HEALTH CONTRACTS ONLY

	1	2	3	4	5	6	7	8	9	10	11	12
	Total	Comprehensive (Hospital & Medical)	Medicare Supplement	Dental Only	Vision Only	Federal Employees Health Benefit Plan	Title XVIII Medicare	Title XIX Medicaid	Stop Loss	Disability Income	Long-Term Care	Other
POLICY RESERVE												
1. Unearned premium reserves .....	.0											
2. Additional policy reserves (a) .....	.0											
3. Reserve for future contingent benefits .....	.0											
4. Reserve for rate credits or experience rating refunds (including \$ ..... for investment income) .....	.0											
5. Aggregate write-ins for other policy reserves .....	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
6. Totals (Gross) .....	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
7. Reinsurance ceded .....	.0											
8. Totals (Net) (Page 3, Line 4)	0	0			0	0	0	0	0	0	0	0
CLAIM RESERVE												
9. Present value of amounts not yet due on claims .....	.0											
10. Reserve for future contingent benefits .....	.0											
11. Aggregate write-ins for other claim reserves .....	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
12. Totals (Gross) .....	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
13. Reinsurance ceded .....	.0											
14. Totals (Net) (Page 3, Line 7)	0	0	0	0	0	0	0	0	0	0	0	0
DETAILS OF WRITE-INS												
0501. ....												
0502. ....												
0503. ....												
0598. Summary of remaining write-ins for Line 5 from overflow page .....	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
0599. TOTALS (Lines 0501 thru 0503 plus 0598) (Line 5 above)	0	0	0	0	0	0	0	0	0	0	0	0
1101. ....												
1102. ....												
1103. ....												
1198. Summary of remaining write-ins for Line 11 from overflow page .....	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
1199. TOTALS (Lines 1101 thru 1103 plus 1198) (Line 11 above)	0	0	0	0	0	0	0	0	0	0	0	0

(a) Includes \$ ..... premium deficiency reserve.

UNDERWRITING AND INVESTMENT EXHIBIT  
PART 3 - ANALYSIS OF EXPENSES

	Claim Adjustment Expenses		3 General Administration Expenses	4 Investment Expenses	5 Total
	1 Cost Containment Expenses	2 Other Claim Adjustment Expenses			
1. Rent (\$ .....for occupancy of own building).....			330,364		330,364
2. Salaries, wages and other benefits.....		155,676	328,528		484,204
3. Commissions (less \$ .....ceded plus \$ ..... Assumed.....					0
4. Legal fees and expenses.....			64,047		64,047
5. Certifications and accreditation fees.....					0
6. Auditing, actuarial and other consulting services.....			62,498		62,498
7. Traveling expenses.....		346	78,148		78,494
8. Marketing and advertising.....			1,647,438		1,647,438
9. Postage, express and telephone.....		9,036	89,768		98,804
10. Printing and office supplies.....		3,003	94,812		97,815
11. Occupancy, depreciation and amortization.....			288,753		288,753
12. Equipment.....			919		919
13. Cost or depreciation of EDP equipment and software.....					0
14. Outsourced services including EDP, claims, and other services.....		215,730	85,581		301,311
15. Boards, bureaus and association fees.....			18,680		18,680
16. Insurance, except on real estate.....					0
17. Collection and bank service charges.....			57,080		57,080
18. Group service and administration fees.....					0
19. Reimbursements by uninsured accident and health plans.....					0
20. Reimbursements from fiscal intermediaries.....					0
21. Real estate expenses.....					0
22. Real estate taxes.....					0
23. Taxes, licenses and fees:					
23.1 State and local insurance taxes.....		0	0		0
23.2 State premium taxes.....			0		0
23.3 Regulatory authority licenses and fees.....					0
23.4 Payroll taxes.....		11,691	17,934		29,625
23.5 Other (excluding federal income and real estate taxes).....			90,334		90,334
24. Investment expenses not included elsewhere.....					0
25. Aggregate write-ins for expenses.....	0	0	757,577	0	757,577
26. Total expenses incurred (Lines 1 to 25).....	0	395,482	4,012,461	0	(a).....4,407,943
27. Less expenses unpaid December 31, current year.....		179,810	1,407,586		1,587,396
28. Add expenses unpaid December 31, prior year.....	0	135,162	1,220,901	0	1,356,063
29. Amounts receivable relating to uninsured accident and health plans, prior year.....	0	0	0	0	0
30. Amounts receivable relating to uninsured accident and health plans, current year.....					0
31. Total expenses paid (Lines 26 minus 27 plus 28 minus 29 plus 30)	0	350,834	3,825,776	0	4,176,610
DETAIL OF WRITE-INS					
2501. Mgt. Fees related to administration expenses.....			757,577		757,577
2502. ....					
2503. ....					
2598. Summary of remaining write-ins for Line 25 from overflow page.....	0	0	0	0	0
2599. Totals (Line 2501 thru 2503 plus 2598)(Line 25 above)	0	0	757,577	0	757,577

(a) Includes management fees of \$ .....to affiliates and \$ .....to non-affiliates.

EXHIBIT OF NET INVESTMENT INCOME

		1	2
		Collected During Year	Earned During Year
1.	U.S. Government bonds .....	(a) .....	.....
1.1	Bonds exempt from U.S. tax .....	(a) .....	.....
1.2	Other bonds (unaffiliated) .....	(a) .....	.....
1.3	Bonds of affiliates .....	(a) .....	.....
2.1	Preferred stocks (unaffiliated) .....	(b) .....	.....
2.11	Preferred stocks of affiliates .....	(b) .....	.....
2.2	Common stocks (unaffiliated) .....	.....	.....
2.21	Common stocks of affiliates .....	.....	.....
3.	Mortgage loans .....	(c) .....	.....
4.	Real estate .....	(d) .....0	233,739
5.	Contract loans.....	.....	.....
6.	Cash, cash equivalents and short-term investments .....	(e) .....0	85,569
7.	Derivative instruments .....	(f) .....	.....
8.	Other invested assets .....	.....0	158,001
9.	Aggregate write-ins for investment income .....	.....0	0
10.	Total gross investment income .....	0	477,309
11.	Investment expenses .....	NONE	
12.	Investment taxes, licenses and fees, excluding federal income taxes .....		
13.	Interest expense .....		
14.	Depreciation on real estate and other invested assets .....		
15.	Aggregate write-ins for deductions from investment income .....		
16.	Total (Lines 11 through 15) .....		
17.	Net Investment Income - (Line 10 minus Line 16) .....		
DETAILS OF WRITE-INS			
0901.	.....	.....	.....
0902.	.....	.....	.....
0903.	.....	.....	.....
0998.	Summary of remaining write-ins for Line 9 from overflow page .....	.....0	0
0999.	Totals (Lines 0901 through 0903 plus 0998) (Line 9, above) .....	0	0
1501.	.....	.....	.....
1502.	.....	.....	.....
1503.	.....	.....	.....
1598.	Summary of remaining write-ins for Line 15 from overflow page .....	.....	0
1599.	Total (Lines 1501 through 1503 plus 1598) (Line 15, above) .....	.....	0

(a) Includes \$ .....accrual of discount less \$ .....amortization of premium and less \$ .....paid for accrued interest on purchases.  
(b) Includes \$ .....accrual of discount less \$ .....amortization of premium and less \$ .....paid for accrued dividends on purchases.  
(c) Includes \$ .....accrual of discount less \$ .....amortization of premium and less \$ .....paid for accrued interest on purchases.  
(d) Includes \$ .....for company's occupancy of its own buildings; and excludes \$ .....interest on encumbrances.  
(e) Includes \$ .....accrual of discount less \$ .....amortization of premium and less \$ .....paid for accrued interest on purchases.  
(f) Includes \$ .....accrual of discount less \$ .....amortization of premium.  
(g) Includes \$ .....investment expenses and \$ .....investment taxes, licenses and fees, excluding federal income taxes, attributable to segregated and Separate Accounts.  
(h) Includes \$ .....interest on surplus notes and \$ .....interest on capital notes.  
(i) Includes \$ .....depreciation on real estate and \$ .....depreciation on other invested assets.

EXHIBIT OF CAPITAL GAINS (LOSSES)

		1	2	3	4
		Realized Gain (Loss) On Sales or Maturity	Other Realized Adjustments	Increases (Decreases) by Adjustment	Total
1.	U.S. Government bonds .....	.....	.....	.....	0
1.1	Bonds exempt from U.S. tax .....	.....	.....	.....	0
1.2	Other bonds (unaffiliated) .....	.....	.....	.....	0
1.3	Bonds of affiliates .....	.....0	.....	.....0	0
2.1	Preferred stocks (unaffiliated) .....	.....	.....	.....	0
2.11	Preferred stocks of affiliates .....	.....0	.....	.....0	0
2.2	Common stocks (unaffiliated) .....	.....	.....	.....	0
2.21	Common stocks of affiliates .....	.....0	.....0	.....0	0
3.	Mortgage loans .....	.....	.....	.....	0
4.	Real estate .....	.....	.....	.....	0
5.	Contract loans .....	.....	.....	.....	0
6.	Cash, cash equivalents and short-term investments .....	.....	.....	.....	0
7.	Derivative instruments .....	.....	.....	.....	0
8.	Other invested assets .....	.....	.....	.....	0
9.	Aggregate write-ins for capital gains (losses) .....	.....0	.....0	.....0	0
10.	Total capital gains (losses) .....	0	0	0	0
DETAILS OF WRITE-INS					
0901.	.....	.....	.....	.....	.....
0902.	.....	.....	.....	.....	.....
0903.	.....	.....	.....	.....	.....
0998.	Summary of remaining write-ins for Line 9 from overflow page .....	.....0	.....0	.....0	0
0999.	Totals (Lines 0901 through 0903 plus 0998) (Line 9, above) .....	0	0	0	0



EXHIBIT OF NONADMITTED ASSETS

	1	2	3
	Current Year Total Nonadmitted Assets	Prior Year Nonadmitted Assets	Change in Total Nonadmitted Assets (Col. 2 - Col. 1)
1. Bonds (Schedule D).....	0	0	0
2. Stocks (Schedule D):			
2.1 Preferred stocks .....	0	0	0
2.2 Common stocks .....	0	0	0
3. Mortgage loans on real estate (Schedule B):			
3.1 First liens .....	0	0	0
3.2 Other than first liens .....	0	0	0
4. Real estate (Schedule A):			
4.1 Properties occupied by the company .....	115,937	82,892	(33,045)
4.2 Properties held for the production of income.....	0	0	0
4.3 Properties held for sale .....	0	0	0
5. Cash, (Schedule E, Part 1), cash equivalents (Schedule E, Part 2) and short -term investments (Schedule DA) .....	0	0	0
6. Contract loans .....	0	0	0
7. Other invested assets (Schedule BA) .....	0	0	0
8. Receivables for securities .....	0	0	0
9. Aggregate write-ins for invested assets .....	0	0	0
10. Subtotals, cash and invested assets (Lines 1 to 9) .....	115,937	82,892	(33,045)
11. Title plants (for Title insurers only).....	0		0
12. Investment income due and accrued .....	0	0	0
13. Premiums and considerations:			
13.1 Uncollected premiums and agents' balances in the course of collection .....	0	0	0
13.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due.....	0	0	0
13.3 Accrued retrospective premium.....	0	0	0
14. Reinsurance:			
14.1 Amounts recoverable from reinsurers .....	0	0	0
14.2 Funds held by or deposited with reinsured companies .....	0	0	0
14.3 Other amounts receivable under reinsurance contracts .....	0	0	0
15. Amounts receivable relating to uninsured plans .....	0	0	0
16.1 Current federal and foreign income tax recoverable and interest thereon .....	0	0	0
16.2 Net deferred tax asset.....	103,000	103,000	0
17. Guaranty funds receivable or on deposit .....	0	0	0
18. Electronic data processing equipment and software.....	11,218	27,193	15,975
19. Furniture and equipment, including health care delivery assets.....	78,749	90,141	11,392
20. Net adjustment in assets and liabilities due to foreign exchange rates .....	0	0	0
21. Receivables from parent, subsidiaries and affiliates .....	0	0	0
22. Health care and other amounts receivable.....	0	40,359	40,359
23. Aggregate write-ins for other than invested assets .....	134,374	144,205	9,831
24. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 10 to 23).....	443,278	487,790	44,512
25. From Separate Accounts, Segregated Accounts and Protected Cell Accounts.....	0	0	0
26. Total (Lines 24 and 25)	443,278	487,790	44,512
<b>DETAILS OF WRITE-INS</b>			
0901. ....			
0902. ....			
0903. ....			
0998. Summary of remaining write-ins for Line 9 from overflow page .....	0	0	0
0999. Totals (Lines 0901 thru 0903 plus 0998)(Line 9 above)	0	0	0
2301. ....	134,374	144,205	9,831
2302. ....			
2303. ....			
2398. Summary of remaining write-ins for Line 23 from overflow page .....	0	0	0
2399. Totals (Lines 2301 thru 2303 plus 2398)(Line 23 above)	134,374	144,205	9,831

EXHIBIT 1 - ENROLLMENT BY PRODUCT TYPE FOR HEALTH BUSINESS ONLY

Source of Enrollment	Total Members at End of					6 Current Year Member Months
	1 Prior Year	2 First Quarter	3 Second Quarter	4 Third Quarter	5 Current Year	
1. Health Maintenance Organizations.....	17,717	16,110	15,884	15,585	15,363	191,028
2. Provider Service Organizations.....	.0					
3. Preferred Provider Organizations.....	.0					
4. Point of Service.....	229	223	221	207	183	2,545
5. Indemnity Only.....	.0					
6. Aggregate write-ins for other lines of business	0	0	0	0	0	0
7. Total	17,946	16,333	16,105	15,792	15,546	193,573
DETAILS OF WRITE-INS						
0601. ....						
0602. ....						
0603. ....						
0698. Summary of remaining write-ins for Line 6 from overflow page .....	.0	.0	.0	.0	.0	.0
0699. Totals (Lines 0601 thru 0603 plus 0698) (Line 6 above)	0	0	0	0	0	0

## NOTES TO FINANCIAL STATEMENTS

### Statement for the Year 2005 – Grand Valley Health Plan

## NOTES TO FINANCIAL STATEMENTS

### 1. Summary of Significant Accounting Policies

**Basis of Presentation** – The accompanying financial statements have been prepared in conformity with the NAIC Annual Statement Instructions and Accounting Practices and Procedures Manual (SSAP's) for health organizations except to the extent that state requirements differ.

**Use of Estimates** – In conformity with the NAIC Annual Statement Instructions and Accounting Practices and Procedures Manual (SSAP's), the preparation of these financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the reporting period. These estimates and assumptions may change in the near future resulting in different actual results. Estimates that are most susceptible to change in the near term are accounts receivable and the liability for unpaid and unreported claims.

**Investments (Contingency Reserve)** – Pursuant to requirements of the Commissioner of Insurance for the State of Michigan, Grand Valley Health Plan executed a trust indenture. The trust is established to provide for the payment of medical services in the event Grand Valley Health Plan is unable to make payment. The agreement requires trust assets to be a minimum of \$1,000,000. The trust account met or exceeded funding requirements, as specified in the agreement. The trust invests principally in money market funds, is stated at fair market value, and is included in cash and cash equivalents.

**Investment in Affiliates** – Other Invested Assets consists of a 30% interest in Leonard Street, LLC. Leonard Street, LLC operates and maintains the building used by Grand Valley Health Plan Radiology, Grand Valley Health Plan Pharmacy, Grand Valley Health Plan Beckwith Health Center, Grand Valley Surgical Center, LLC, and Orthopaedic Associates of Grand Rapids, PC. The Company accounts for its investment using the equity method of accounting.

**Investments in Subsidiaries** – None to report.

**Bonds** – None to report.

**Common Stock and Additional Paid in Capital** – stated at cost.

**Preferred Stock** – None to report.

**Mortgage Loans (Valuation Basis)** – None to report.

**Securities (Loan-Backed)** – None to report.

**Derivatives** – None to report.

## NOTES TO FINANCIAL STATEMENTS

Liabilities for Claims and Claim Adjustment Expenses – Health care costs are accrued as services are rendered, and include fees to physicians, hospitals, pharmacies and other providers for continuing medical care, and payments made on individual claims for which services have been performed including estimates of services performed which have not yet been reported. The reserves for incurred but not reported claims are to cover this estimated medical cost. Claims unpaid and unpaid adjustment expenses include amounts determined from individual case estimates, claim reports, and an amount for claims incurred but not reported based on past experience. Subsequent actual claim experience will differ from the estimated liability due to variances in estimated and actual member utilization of health care services, the amount of charges, and other factors. While management believes the amount to be adequate, the ultimate liability may be in excess of or less than the amount estimated in these financial statements. The Company limits a portion of their liability through stop-loss insurance. The methods for making estimates and for establishing the claims adjustment expense reserve are continually reviewed and any adjustments are reflected as determined in the periodic financial statements.

Capitalization policy – The Company has not modified its capitalization policy from the prior year.

Cash and Short-Term Investments – This category includes deposits in financial institutions and short-term investments with maturities of 90 days or less from the date of acquisition.

Accounts Receivable – This category represents charges to employer groups, primarily on open account. Adjustments to customer accounts are made to estimate net realizable amounts with appropriate charges to premium revenues.

Inventories – Inventories consist of pharmaceuticals and are stated at cost (first-in, first-out method).

Property and Equipment – Depreciable assets are stated at cost. Depreciation is generally computed using the straight-line method over the estimated useful lives of the depreciable assets as follows:

Building and land improvements	5 - 40 years
Medical equipment	5 - 7 years
Office furniture and equipment	5 - 7 years
Electronic data processing equipment	3 - 5 years

These assets are reviewed for impairment when events indicate that the carrying amount may not be recoverable.

Premiums – member premiums are recorded as revenues in the month that members are entitled to services. Premiums collected in advance are recorded as Premiums Received in Advance.

Related Party Transactions – The Company is related with other entities through common ownership and management (see note 10).

Employee Benefit Plans –The Company participates in the parent company's Employee Stock Ownership Plan (ESOP) and 401(k) plans (see note 12). The Company maintains a profit sharing plan and there were no profit sharing contributions to the plan in the period.

## NOTES TO FINANCIAL STATEMENTS

Income Taxes – The Company records income tax expense based on the amount of current taxes plus deferred taxes computed based on the expected future tax consequences of temporary differences between the carrying amounts and tax basis of assets and liabilities, using enacted tax rates. Under the statutory basis of accounting some of these deferred assets are considered non-admitted assets and therefore are excluded. The Company is included in the Grand Valley Health Corporation parent company consolidated tax return (see note 9).

2. Accounting Changes and Corrections of Errors – None to report.
3. Business Combinations and Goodwill – None to report.
4. Discontinued Operations – None to report.
5. Investments (Other) – The Company continues to own one of its six health centers located in Wyoming, Michigan a suburb of Grand Rapids, Michigan. There is no impairment loss, and the Company does not engage in retail land sales operations. During the period there were no mortgage or real estate loans, no debt restructuring, no reverse mortgages, no loan-backed securities, and no repurchase agreements.
6. Joint Ventures, Partnerships and Limited Liability Companies – There are no investments that exceeded 10% of the admitted assets of the Company and there are no impaired investments.
7. Investment Income – None to report.
8. Derivatives – None to report.
9. Income Taxes – The total of all deferred tax assets is \$517,000. There is no deferred tax liability. The non-admitted deferred tax asset, as the result of the application of SSAP 10 is \$103,000, leaving an admitted deferred tax asset of \$414,000. The net change during the quarter in the total non-admitted deferred tax assets is \$0. The significant component of current income tax expense is tax expense of (\$179,212) at the statutory rate of 34% plus other minor differences. The net change during the quarter in admitted deferred tax assets is \$0. The Company had accumulated net operating losses from prior years of approximately \$2,257,000 available to offset income. All of the net operating losses were used to offset taxable income generated by other members in the consolidated tax returns during 2004. There were no significant adjustments to deferred tax assets for enacted changes in tax laws or rates or a change in the tax status of the Company. The entities that are consolidated for federal income tax purposes are Grand Valley Health Plan, Inc., Grand Valley Health Management Inc., Grand Valley Health Facilities Inc., Grand Valley Technology Services, LLC, and Grand Valley Health Corporation. These entities have agreed that the amount of a consolidated NOL that is attributable to a Member is determined by a fraction, the numerator of which is the separate NOL of the Member and the denominator of which is the sum of the separate NOL's of all other Members. For this purpose, the separate NOL of a Member is determined by computing the consolidated NOL by taking into account only the Member's items of income, gain, deduction, and loss, including the Member's losses and deductions actually absorbed by the group in the taxable year.

## NOTES TO FINANCIAL STATEMENTS

10. Information Concerning Parent, Subsidiaries, and Affiliates – Grand Valley Health Plan, Inc. is a wholly owned subsidiary of Grand Valley Health Corporation and under agreement pays Grand Valley Health Corporation for management services primarily for the Chief Executive Officer and staff, the Chief Financial Officer and staff, and the Corporate Human Resources department. Grand Valley Health Facilities, Inc. is a wholly owned subsidiary of Grand Valley Health Corporation, and primarily manages buildings utilized by Grand Valley Health Plan. Grand Valley Health Plan pays Grand Valley Health Facilities for rental and other facility related expense reimbursements. Grand Valley Health Management is a wholly owned subsidiary of Grand Valley Health Corporation. Grand Valley Health Plan under agreement charged Grand Valley Health Management for administrative and pharmacy services, which are concurrently charged to the Grand Valley Surgical Center, LLC which is partially owned by Grand Valley Health Management (54%) and Grand Valley Health Corporation (1%). Grand Valley Technology Services, LLC is 52% owned by Grand Valley Health Corporation and 48% owned by other investors. Grand Valley Technology Services provides technology solutions to Grand Valley Health Plan for its insurance and medical management practices. All of the above relationships are based upon arms length transactions. In addition, any above mentioned Grand Valley Company may occasionally pay general accounts payable where a portion of the expense is appropriately charged to one of the other members of the holding company, and any above-mentioned Grand Valley company (except the Grand Valley Surgical Center) may be subject to the effect of the tax allocation agreement described in footnote 9. All charges are generally approved and settled by the corresponding entity typically within 30 days. The total recurring charges due from Grand Valley Health Plan in 2005 for the above transactions were \$4,298,327 and the total charges due to Grand Valley Health Corporation were \$884,540 – Grand Valley Health Management \$0 – Grand Valley Health Facilities \$1,911,963 – Grand Valley Technology Services LLC \$1,016,579. At December 31, 2005 net receivables from affiliates totaled \$1,386 as follows: Grand Valley Health Corporation - \$0, Grand Valley Health Management - \$1,386, Grand Valley Health Facilities - \$0, and Grand Valley Technology Services – \$0. At December 31, 2005 net liabilities from affiliates totaled \$237,433 as follows: Grand Valley Health Corporation - \$97,891, Grand Valley Health Management - \$0, Grand Valley Health Facilities - \$133,427 and Grand Valley Technology Services \$6,115.
11. Debt – None to report.
12. Retirement Plans, Deferred Compensation, Post-retirement Benefits, and Compensated Absences and Other Post-retirement Benefits Plans - The Company participates in an Employee Stock Ownership Plan (ESOP) covering substantially all full-time employees of the Company. The Plan invests primarily in the common stock of its parent company, Grand Valley Health Corporation. The Company accrued ESOP contributions of \$128,917 during 2005 year to date. The Company maintains a 401(k) plan that does not provide for matching contributions. There were no discretionary contributions to the 401(k) plan during the year. There are no deferred compensation plans and no other post-retirement plans. Compensated absences are accrued to cover unused vested vacation days.
13. Capital and Surplus, Shareholders' Dividend Restrictions and Quasi-Reorganizations - Common Stock of \$312,996 is stated at its par value of \$1.00. There are 400,000 shares authorized of which 312,996 have been issued, coupled with Additional Paid-in-Capital of \$1,212,873. There were neither dividends nor dividend restrictions during the year. There are no restrictions placed on

## NOTES TO FINANCIAL STATEMENTS

surplus funds except for the Surplus Note. There is no stock of the Company held for special purposes. There are no special surplus funds other than the Surplus Note. There is no portion of the unassigned surplus funds that has been represented by or reduced for any purpose. On February 28, 2001 the Company received an additional \$500,000 in capital from its parent. Principal and interest payments on this Surplus Note shall only be repaid out of the surplus earnings of the Company and with prior written approval of the State of Michigan Department of Consumer and Industry Services, Office of Financial and Insurance Services, Division of Insurance. Interest is at the rate of eight and one-half percent per annum, computed annually and not compounded. Subject to the prior written approval of the Board of Directors of Grand Valley Health Plan and the prior written approval of the Michigan Insurance Division, interest shall be paid annually from earned surplus until the entire principal amount is paid in full. If Grand Valley Health Plan does not pay interest in any year, the interest shall be non-cumulative and will neither be paid nor accrued for future payment. The surplus note does not have a stated maturity or repayment date. There were no principal and/or interest payments during the period. The surplus note is expressly subordinated to claims of creditors and members of Grand Valley Health Plan and any other priority claims provided by Chapter 81 of the Insurance Code, which provides that surplus notes are at the eighth level of priority. There has not been a quasi-reorganization of the Company.

14. Contingencies - The Company is periodically involved in professional liability claims arising from its medical practice, which are defended and handled in the ordinary course of business. Management believes there is no liability outstanding. The Company is not under investigatory controls of the Michigan Office of Financial and Insurance Services. The Company is in full compliance with prior agreements and orders of the Michigan Office of Financial and Insurance Services.
15. Leases - The Company has operating leases for health centers, medical facilities, and an administrative office from various entities, which are considered related parties. These non-cancelable leases contain various renewal options subject to increases in the monthly rental payments. Lease terms expire at various dates through 2008. These leases require the Company to pay all utilities, maintenance and taxes. Future minimum lease payments are as follows: 2005-\$492,488, 2006 - \$340,043, 2007 - \$340,043, 2008 \$340,043. The grand total for 2005-2008 minimum lease payments - \$1,512,617. Total expense, including but not limited to utilities, maintenance and taxes, amounted to \$1,911,963 as of December 31, 2005.
16. Information About Financial Instruments With Off-Balance Sheet Risk And Financial Instruments With Concentrations of Credit Risk – None to report.
17. Sale, Transfer and Servicing of Financial Assets and Extinguishments of Liabilities – None to report.
18. Gain or Loss to the Reporting Entity from Uninsured Plans and the Uninsured Portion of Partially Insured Plans – None to report.
19. Direct Premium Written/Produced by Managing General Agents/Third Party Administrators – None to report.

## NOTES TO FINANCIAL STATEMENTS

20. September 11 Events – None to report.
21. Other Items – None to report.
22. Events Subsequent – There was one disputed out of area hospitalization case during 2003 that was partially reserved at year-end 2004. There were no other Type I or Type II subsequent events.
23. Reinsurance – The Company limits a portion of its medical claims liability through stop-loss insurance. Under the terms of this agreement, the insurance company will reimburse approximately 90% of the cost of each member's annual services in excess of \$150,000, up to a specific annual stop-loss benefit per member of \$1,000,000. At December 31, 2005, the Company has recorded a receivable under this agreement in the amount of \$318,367. There was no uncollectible reinsurance written off during the quarter.
24. Retrospectively Rated Contracts and Contracts Subject to Redetermination – None to report.
25. Change in Incurred Claims and Claim Adjustment Expenses – None to report.
26. Inter-company Pooling Arrangements – None to report.
27. Structured Settlements – None to report.
28. Health Care Receivables – At December 31, 2005 the balance of reimburseable claim payments is \$128. Also in December specifically identified pharmacy rebates (\$33,448) were recorded as a healthcare receivable.
29. Participating Policies – None to report.
30. Premium Deficiency Reserves – None to report.
31. Anticipated Salvage and Subrogation – None to report.



SUMMARY INVESTMENT SCHEDULE

Investment Categories	Gross Investment Holdings		Admitted Assets as Reported in the Annual Statement	
	1 Amount	2 Percentage	3 Amount	4 Percentage
1. Bonds:				
1.1 U.S. treasury securities .....		.0.000		.0.000
1.2 U.S. government agency obligations (excluding mortgage-backed securities):				
1.21 Issued by U.S. government agencies .....		.0.000		.0.000
1.22 Issued by U.S. government sponsored agencies .....		.0.000		.0.000
1.3 Foreign government (including Canada, excluding mortgaged-backed securities) .....		.0.000		.0.000
1.4 Securities issued by states, territories, and possessions and political subdivisions in the U.S.:				
1.41 States, territories and possessions general obligations .....		.0.000		.0.000
1.42 Political subdivisions of states, territories and possessions and political subdivisions general obligations .....		.0.000		.0.000
1.43 Revenue and assessment obligations .....		.0.000		.0.000
1.44 Industrial development and similar obligations .....		.0.000		.0.000
1.5 Mortgage-backed securities (includes residential and commercial MBS):				
1.51 Pass-through securities:				
1.511 Issued or guaranteed by GNMA .....		.0.000		.0.000
1.512 Issued or guaranteed by FNMA and FHLMC .....		.0.000		.0.000
1.513 All other .....		.0.000		.0.000
1.52 CMOs and REMICs:				
1.521 Issued or guaranteed by GNMA, FNMA, FHLMC or VA .....		.0.000		.0.000
1.522 Issued by non-U.S. Government issuers and collateralized by mortgage-backed securities issued or guaranteed by agencies shown in Line 1.521 .....		.0.000		.0.000
1.523 All other .....		.0.000		.0.000
2. Other debt and other fixed income securities (excluding short-term):				
2.1 Unaffiliated domestic securities (includes credit tenant loans rated by the SVO) .....		.0.000		.0.000
2.2 Unaffiliated foreign securities .....		.0.000		.0.000
2.3 Affiliated securities .....		.0.000		.0.000
3. Equity interests:				
3.1 Investments in mutual funds .....		.0.000		.0.000
3.2 Preferred stocks:				
3.21 Affiliated .....		.0.000		.0.000
3.22 Unaffiliated .....		.0.000		.0.000
3.3 Publicly traded equity securities (excluding preferred stocks):				
3.31 Affiliated .....		.0.000		.0.000
3.32 Unaffiliated .....		.0.000		.0.000
3.4 Other equity securities:				
3.41 Affiliated .....		.0.000		.0.000
3.42 Unaffiliated .....		.0.000		.0.000
3.5 Other equity interests including tangible personal property under lease:				
3.51 Affiliated .....		.0.000		.0.000
3.52 Unaffiliated .....		.0.000		.0.000
4. Mortgage loans:				
4.1 Construction and land development .....		.0.000		.0.000
4.2 Agricultural .....		.0.000		.0.000
4.3 Single family residential properties .....		.0.000		.0.000
4.4 Multifamily residential properties .....		.0.000		.0.000
4.5 Commercial loans .....		.0.000		.0.000
4.6 Mezzanine real estate loans .....		.0.000		.0.000
5. Real estate investments:				
5.1 Property occupied by the company .....		.0.000	1,135,897	11.196
5.2 Property held for the production of income (including \$ .....of property acquired in satisfaction of debt) .....		.0.000	.0	.0.000
5.3 Property held for sale (including \$ ..... property acquired in satisfaction of debt) .....		.0.000	.0	.0.000
6. Contract loans .....		.0.000	.0	.0.000
7. Receivables for securities .....		.0.000	.0	.0.000
8. Cash, cash equivalents and short-term investments .....	8,260,161	91.682	8,260,161	81.417
9. Other invested assets .....	749,388	8.318	749,388	7.386
10. Total invested assets	9,009,549	100.000	10,145,446	100.000

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES

GENERAL

- 1.1

Is the reporting entity a member of an Insurance Holding Company System consisting of two or more affiliated persons, one or more of which is an insurer?

Yes [ X ] No [ ]
- 1.2

If yes, did the reporting entity register and file with its domiciliary State Insurance Commissioner, Director or Superintendent, or with such regulatory official of the state of domicile of the principal insurer in the Holding Company System, a registration statement providing disclosure substantially similar to the standards adopted by the National Association of Insurance Commissioners (NAIC) in its Model Insurance Holding Company System Regulatory Act and model regulations pertaining thereto, or is the reporting entity subject to standards and disclosure requirements substantially similar to those required by such Act and regulations?

Yes [ X ] No [ ] NA [ ]
- 1.3

State Regulating?

Michigan
- 2.1

Has any change been made during the year of this statement in the charter, by-laws, articles of incorporation, or deed of settlement of the reporting entity?

Yes [ ] No [ X ]
- 2.2

If yes, date of change:

12/31/2001

If not previously filed, furnish herewith a certified copy of the instrument as amended.
- 3.1

State as of what date the latest financial examination of the reporting entity was made or is being made.

12/31/2001
- 3.2

State the as of date that the latest financial examination report became available from either the state of domicile or the reporting entity. This date should be the date of the examined balance sheet and not the date the report was completed or released.

12/31/2001
- 3.3

State as of what date the latest financial examination report became available to other states or the public from either the state of domicile or the reporting entity. This is the release date or completion date of the examination report and not the date of the examination (balance sheet date).

06/16/2003
- 3.4

By what department or departments? Michigan Office of Financial and Insurance Services
- 4.1

During the period covered by this statement, did any agent, broker, sales representative, non-affiliated sales/service organization or any combination thereof under common control (other than salaried employees of the reporting entity), receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of:

4.11 sales of new business?

Yes [ ] No [ X ]

4.12 renewals?

Yes [ ] No [ X ]
- 4.2

During the period covered by this statement, did any sales/service organization owned in whole or in part by the reporting entity or an affiliate, receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of:

4.21 sales of new business?

Yes [ ] No [ X ]

4.22 renewals?

Yes [ ] No [ X ]
- 5.1

Has the reporting entity been a party to a merger or consolidation during the period covered by this statement?

Yes [ ] No [ X ]
- 5.2

If yes, provide the name of the entity, NAIC Company Code, and state of domicile (use two letter state abbreviation) for any entity that has ceased to exist as a result of the merger or consolidation.

1 Name of Entity	2 NAIC Company Code	3 State of Domicile

- 6.1

Has the reporting entity had any Certificates of Authority, licenses or registrations (including corporate registration, if applicable) suspended or revoked by any governmental entity during the reporting period? (You need not report an action, either formal or informal, if a confidentiality clause is part of the agreement.)

Yes [ ] No [ X ]
- 6.2

If yes, give full information
- 7.1

Does any foreign (non-United States) person or entity directly or indirectly control 10% or more of the reporting entity?

Yes [ ] No [ X ]
- 7.2

If yes,

7.21 State the percentage of foreign control;

7.22 State the nationality(s) of the foreign person(s) or entity(s) or if the entity is a mutual or reciprocal, the nationality of its manager or attorney in fact; and identify the type of entity(s) (e.g., individual, corporation or government, manager or attorney in fact).

1 Nationality	2 Type of Entity

GENERAL INTERROGATORIES

- 8.1

Is the company a subsidiary of a bank holding company regulated by the Federal Reserve Board?

Yes [ ] No [ X ]
- 8.2

If response to 8.1 is yes, please identify the name of the bank holding company.
- 8.3

Is the company affiliated with one or more banks, thrifts or securities firms?

Yes [ ] No [ X ]
- 8.4

If response to 8.3 is yes, please provide the names and location (city and state of the main office) of any affiliates regulated by a federal financial regulatory services agency [i.e. the Federal Reserve Board (FRB), the Office of the Comptroller of the Currency (OCC), the Office of Thrift Supervision (OTS), the Federal Deposit Insurance Corporation (FDIC) and the Securities Exchange Commission (SEC) and identify the affiliate's primary federal regulator.]

1	2	3	4	5	6	7
Affiliate Name	Location (City, State)	FRB	OCC	OTS	FDIC	SEC

9.

What is the name and address of the independent certified public accountant or accounting firm retained to conduct the annual audit?

Crowe Chizek, South Bend, Indiana
10.

What is the name, address and affiliation (officer/employee of the reporting entity or actuary/consultant associated with an actuarial consulting firm) of the individual providing the statement of actuarial opinion/certification?

Reden & Anders, Ltd - Houston, Texas
- 11.1

Does the reporting entity own any securities of a real estate holding company or otherwise hold real estate indirectly?

Yes [ ] No [ X ]

11.11

Name of real estate holding company

11.12

Number of parcels involved

11.13

Total book/adjusted carrying value

\$.
- 11.2

If yes, provide explanation
12.

FOR UNITED STATES BRANCHES OF ALIEN REPORTING ENTITIES ONLY:
- 12.1

What changes have been made during the year in the United States Manager or the United States Trustees of the reporting entity?
- 12.2

Does this statement contain all business transacted for the reporting entity through its United States Branch on risks wherever located?

Yes [ ] No [ X ]
- 12.3

Have there been any changes made to any of the trust indentures during the year?

Yes [ ] No [ X ]
- 12.4

If answer to (12.3) is yes, has the domiciliary or entry state approved the changes?

Yes [ ] No [ ] NA [ ]

BOARD OF DIRECTORS

13.

Is the purchase or sale of all investments of the reporting entity passed upon either by the board of directors or a subordinate committee thereof?

Yes [ X ] No [ ]
14.

Does the reporting entity keep a complete permanent record of the proceedings of its board of directors and all subordinate committees thereof?

Yes [ X ] No [ ]
15.

Has the reporting entity an established procedure for disclosure to its board of directors or trustees of any material interest or affiliation on the part of any of its officers, directors, trustees or responsible employees that is in conflict or likely to conflict with the official duties of such person?

Yes [ X ] No [ ]

FINANCIAL

- 16.1

Total amount loaned during the year (inclusive of Separate Accounts, exclusive of policy loans):

16.11

To directors or other officers

\$.

16.12

To stockholders not officers

\$.

16.13

Trustees, supreme or grand (Fraternal only)

\$.
- 16.2

Total amount of loans outstanding at end of year (inclusive of Separate Accounts, exclusive of policy loans):

16.21

To directors or other officers

\$.

16.22

To stockholders not officers

\$.

16.23

Trustees, supreme or grand (Fraternal only)

\$.
- 17.1

Were any of the assets reported in this statement subject to a contractual obligation to transfer to another party without the liability for such obligation being reported in this statement?

Yes [ ] No [ X ]
- 17.2

If yes, state the amount thereof at December 31 of the current year:

17.21

Rented from others

\$.

17.22

Borrowed from others

\$.

17.23

Leased from others

\$.

17.24

Other

\$.
- 18.1

Does this statement include payments for assessments as described in the *Annual Statement Instructions* other than guaranty fund or guaranty association assessments?

Yes [ ] No [ X ]
- 18.2

If answer is yes,

18.21

Amount paid as losses or risk adjustment

\$.

18.22

Amount paid as expenses

\$.

18.23

Other amounts paid

\$.
- 19.1

Does the reporting entity report any amounts due from the parent, subsidiaries or affiliates on Page 2 of this statement?

Yes [ X ] No [ ]
- 19.2

If yes, indicated any amounts receivable from parent included in the Page 2 amount:

\$1,386

GENERAL INTERROGATORIES  
INVESTMENT

20.1 Were all the stocks, bonds and other securities owned December 31 of current year, over which the reporting entity has exclusive control, in the actual possession of the reporting entity on said date, except as shown by Schedule E - Part 3 - Special Deposits? ..... Yes [   ] No [ X ]

20.2 If no, give full and complete information relating thereto:

21.1 Were any of the stocks, bonds or other assets of the reporting entity owned at December 31 of the current year not exclusively under the control of the reporting entity, except as shown on the Schedule E - Part 3 - Special Deposits; or has the reporting entity sold or transferred any assets subject to a put option contract that is currently in force? (Exclude securities subject to Interrogatory 17.1) ..... Yes [   ] No [ X ]

21.2 If yes, state the amount thereof at December 31 of the current year:

21.21

Loaned to others .....

\$.....

21.22

Subject to repurchase agreements .....

\$.....

21.23

Subject to reverse repurchase agreements .....

\$.....

21.24

Subject to dollar repurchase agreements .....

\$.....

21.25

Subject to reverse dollar repurchase agreements .....

\$.....

21.26

Pledged as collateral .....

\$.....

21.27

Placed under option agreements .....

\$.....

21.28

Letter stock or other securities restricted as to sale ...

\$.....

21.29

Other .....

\$.....

21.3 For category (21.28) provide the following:

1 Nature of Restriction	2 Description	3 Amount
.....	.....	.....
.....	.....	.....
.....	.....	.....
.....	.....	.....

22.1 Does the reporting entity have any hedging transactions reported on Schedule DB? ..... Yes [   ] No [ X ]

22.2 If yes, has a comprehensive description of the hedging program been made available to the domiciliary state? ..... Yes [   ] No [   ] NA [   ]  
If no, attach a description with this statement.

23.1 Were any preferred stocks or bonds owned as of December 31 of the current year mandatorily convertible into equity, or, at the option of the issuer, convertible into equity? ..... Yes [   ] No [ X ]

23.2 If yes, state the amount thereof at December 31 of the current year. .... \$.....

GENERAL INTERROGATORIES

24. Excluding items in Schedule E, real estate, mortgage loans and investments held physically in the reporting entity's offices, vaults or safety deposit boxes, were all stocks, bonds and other securities, owned throughout the current year held pursuant to a custodial agreement with a qualified bank or trust company in accordance with Part 1 – General, Section IV.H-Custodial or Safekeeping Agreements of the NAIC Financial Condition Examiners Handbook? ..... Yes [ X ] No [ ]

24.01 For agreements that comply with the requirements of the NAIC Financial Condition Examiners Handbook, complete the following:

<div>1</div> <div>Name of Custodian(s)</div>	<div>2</div> <div>Custodian's Address</div>
Fifth Third Bank.....	111 Lyon Street, NW Grand Rapids, MI 49503.....

24.02 For all agreements that do not comply with the requirements of the NAIC Financial Condition Examiners Handbook, provide the name, location and a complete explanation:

<div>1</div> <div>Name(s)</div>	<div>2</div> <div>Location(s)</div>	<div>2</div> <div>Complete Explanation(s)</div>
.....	.....	.....
.....	.....	.....

24.03 Have there been any changes, including name changes, in the custodian(s) identified in 24.01 during the current year? ..... Yes [ ] No [ X ]

24.04 If yes, give full and complete information relating thereto:

<div>1</div> <div>Old Custodian</div>	<div>2</div> <div>New Custodian</div>	<div>3</div> <div>Date of Change</div>	<div>4</div> <div>Reason</div>
.....	.....	.....	.....
.....	.....	.....	.....

24.05 Identify all investment advisors, brokers/dealers or individuals acting on behalf of broker/dealers that have access to the investment accounts, handle securities and have authority to make investments on behalf of the reporting entity:

<div>1</div> <div>Central Registration Depository Number(s)</div>	<div>2</div> <div>Name</div>	<div>2</div> <div>Address</div>
.....	.....	.....
.....	.....	.....

25.1 Does the reporting entity have any diversified mutual funds reported in Schedule D, Part 2 (diversified according to the Securities and Exchange Commission (SEC) in the Investment Company Act of 1940 [Section 5 (b) (1)])?..... Yes [ ] No [ X ]

25.2 If yes, complete the following schedule:

<div>1</div> <div>CUSIP #</div>	<div>2</div> <div>Name of Mutual Fund</div>	<div>3</div> <div>Book/Adjusted Carrying Value</div>
.....	.....	.....
.....	.....	.....
25.2999 TOTAL		0

25.3 For each mutual fund listed in the table above, complete the following schedule:

<div>1</div> <div>Name of Mutual Fund (from above table)</div>	<div>2</div> <div>Name of Significant Holding Of the Mutual Fund</div>	<div>3</div> <div>Amount of Mutual Fund's Book/Adjusted Carrying Value Attributable to the Holding</div>	<div>4</div> <div>Date of Valuation</div>
.....	.....	.....	.....
.....	.....	.....	.....

GENERAL INTERROGATORIES

26. Provide the following information for all short-term and long-term bonds and all preferred stocks. Do not substitute amortized value or statement value for fair value.

	1	2	3
	Statement (Admitted) Value	Fair Value	Excess of Statement over Fair Value (-) or Fair Value over Statement (+)
26.1 Bonds.....	0	0	0
26.2 Preferred stocks.....	0	0	0
26.3 Totals	0	0	0

26.4 Describe the sources or methods utilized in determining fair values:  
none.....

27.1 Have all the filing requirements of the *Purposes and Procedures Manual* of the NAIC Securities Valuation Office been followed? ..... Yes [ X ] No [ ]

27.2 If no, list the exceptions:

OTHER

28.1 Amount of payments to trade associations, service organizations and statistical or rating bureaus, if any?.....\$ .....

28.2 List the name of the organization and the amount paid if any such payment represented 25% or more of the total payments to trade associations, service organizations and statistical or rating bureaus during the period covered by this statement.

1 Name	2 Amount Paid
.....	

29.1 Amount of payments for legal expenses, if any?.....\$ .....64,047

29.2 List the name of the firm and the amount paid if any such payment represented 25% or more of the total payments for legal expenses during the period covered by this statement.

1 Name	2 Amount Paid
Dunn, Schouten & Snoap .....	46,573

30.1 Amount of payments for expenditures in connection with matters before legislative bodies, officers or departments of government, if any?.....\$ .....

30.2 List the name of the firm and the amount paid if any such payment represented 25% or more of the total payment expenditures in connection with matters before legislative bodies, officers or departments of government during the period covered by this statement.

1 Name	2 Amount Paid
.....	
.....	

GENERAL INTERROGATORIES

PART 2 - HEALTH INTERROGATORIES

1.1 Does the reporting entity have any direct Medicare Supplement Insurance in force? .....

Yes [ ] No [ X ]

1.2 If yes, indicate premium earned on U. S. business only .....

\$ .....

1.3 What portion of Item (1.2) is not reported on the Medicare Supplement Insurance Experience Exhibit? .....

\$ .....

1.31 Reason for excluding .....

1.4 Indicate amount of earned premium attributable to Canadian and/or Other Alien not included in Item (1.2) above. ....

\$ .....

1.5 Indicate total incurred claims on all Medicare Supplement Insurance. ....

\$ .....

1.6 Individual policies:

Most current three years:

1.61 Total premium earned .....

\$ .....0

1.62 Total incurred claims .....

\$ .....0

1.63 Number of covered lives .....

\$ .....0

All years prior to most current three years:

1.64 Total premium earned .....

\$ .....0

1.65 Total incurred claims .....

\$ .....0

1.66 Number of covered lives .....

\$ .....0

1.7 Group policies:

Most current three years:

1.71 Total premium earned .....

\$ .....0

1.72 Total incurred claims .....

\$ .....0

1.73 Number of covered lives .....

\$ .....0

All years prior to most current three years:

1.74 Total premium earned .....

\$ .....0

1.75 Total incurred claims .....

\$ .....0

1.76 Number of covered lives .....

\$ .....0

2. Health Test:

1

Current Year

2

Prior Year

2.1 Premium Numerator

\$ .....

\$ .....45,288,684

2.2 Premium Denominator

\$ .....45,117,421

\$ .....45,288,684

2.3 Premium Ratio (2.1/2.2)

.....0.000

.....1.000

2.4 Reserve Numerator

\$ .....

\$ .....3,979,382

2.5 Reserve Denominator

\$ .....5,924,263

\$ .....3,979,382

2.6 Reserve Ratio (2.4/2.5)

.....0.000

.....1.000

3.1 Has the reporting entity received any endowment or gift from contracting hospitals, physicians, dentists, or others that is agreed will be returned when, as and if the earnings of the reporting entity permits? .....

Yes [ ] No [ X ]

3.2 If yes, give particulars:

4.1 Have copies of all agreements stating the period and nature of hospitals', physicians', and dentists' care offered to subscribers and dependents been filed with the appropriate regulatory agency? .....

Yes [ X ] No [ ]

4.2 If not previously filed, furnish herewith a copy(ies) of such agreement(s). Do these agreements include additional benefits offered? .....

Yes [ ] No [ X ]

5.1 Does the reporting entity have stop-loss reinsurance? .....

Yes [ X ] No [ ]

5.2 If no, explain:

5.3 Maximum retained risk (see instructions)

5.31 Comprehensive Medical .....

\$ .....

5.32 Medical Only .....

\$ .....

5.33 Medicare Supplement .....

\$ .....

5.34 Dental .....

\$ .....

5.35 Other Limited Benefit Plan .....

\$ .....

5.36 Other .....

\$ .....

6. Describe arrangement which the reporting entity may have to protect subscribers and their dependents against the risk of insolvency including hold harmless provisions, conversion privileges with other carriers, agreements with providers to continue rendering services, and any other agreements:

7.1 Does the reporting entity set up its claim liability for provider services on a service data base? .....

Yes [ X ] No [ ]

7.2 If no, give details:

8. Provide the following Information regarding participating providers:

8.1 Number of providers at start of reporting year .....

.....

8.2 Number of providers at end of reporting year .....

.....

9.1 Does the reporting entity have business subject to premium rate guarantees? .....

Yes [ ] No [ X ]

9.2 If yes, direct premium earned:

9.21 Business with rate guarantees between 15-36 months .....

.....

9.22 Business with rate guarantees over 36 months .....

.....

GENERAL INTERROGATORIES

10.1 Does the reporting entity have Incentive Pool, Withhold or Bonus Arrangements in its provider contract? .....

Yes [ ] No [ X ]

10.2 If yes:

10.21 Maximum amount payable bonuses .....

\$ .....

10.22 Amount actually paid for year bonuses .....

\$ .....

10.23 Maximum amount payable withholds .....

\$ .....

10.24 Amount actually paid for year withholds .....

\$ .....

11.1 Is the reporting entity organized as:

11.12 A Medical Group/Staff Model, .....

Yes [ X ] No [ ]

11.13 An Individual Practice Association (IPA), or, .....

Yes [ ] No [ X ]

11.14 A Mixed Model (combination of above) ? .....

Yes [ ] No [ X ]

11.2 Is the reporting entity subject to Minimum Net Worth Requirements? .....

Yes [ X ] No [ ]

11.3 If yes, show the name of the state requiring such net worth. ....

Michigan

11.4 If yes, show the amount required. ....

\$.....15,000,000

11.5 Is this amount included as part of a contingency reserve in stockholders equity? .....

Yes [ ] No [ X ]

11.6 If the amount is calculated, show the calculation.

12. List service areas in which reporting entity is licensed to operate:

1
Name of Service Area



FIVE-YEAR HISTORICAL DATA

	1 2005	2 2004	3 2003	4 2002	5 2001
<b>BALANCE SHEET (Pages 2 and 3)</b>					
1. Total admitted assets (Page 2, Line 26) .....	12,865,421	11,103,316	9,153,146	7,096,282	6,620,357
2. Total liabilities (Page 3, Line 22) .....	7,958,009	5,986,782	5,394,398	5,109,909	5,130,747
3. Statutory surplus .....	1,804,697	1,811,547	1,679,614	1,559,161	1,439,192
4. Total capital and surplus (Page 3, Line 31) .....	4,907,410	5,116,534	3,758,748	1,986,373	1,489,610
<b>INCOME STATEMENT (Page 4)</b>					
5. Total revenues (Line 8) .....	45,531,744	45,728,941	43,831,264	40,811,636	37,911,977
6. Total medical and hospital expenses (Line 18) .....	41,985,406	39,859,519	39,039,023	36,214,421	34,404,971
7. Claims adjustment expenses (Line 20) .....	395,482	334,412	293,771	.0	.0
8. Total administrative expenses (Line 21) .....	4,012,461	4,502,836	3,974,941	3,956,145	3,270,426
9. Net underwriting gain (loss) (Line 24) .....	(861,605)	1,032,174	523,529	423,484	64,980
10. Net investment gain (loss) (Line 27) .....	477,309	369,119	208,754	150,601	191,198
11. Total other income (Lines 28 plus 29) .....	.0	.0	.0	.0	.0
12. Net income (loss) (Line 32) .....	(253,636)	953,643	473,483	321,085	256,178
<b>RISK - BASED CAPITAL ANALYSIS</b>					
13. Total adjusted capital.....	4,907,410	5,116,534	3,758,748	1,986,373	1,489,610
14. Authorized control level risk-based capital.....	1,629,533	1,392,309	1,421,029	1,297,394	1,337,709
<b>ENROLLMENT (Exhibit 1)</b>					
15. Total members at end of period (Column 5, Line 7) .....	15,546	17,946	18,874	19,561	20,503
16. Total member months (Column 6, Line 7) .....	193,573	218,178	228,284	238,609	255,910
<b>OPERATING PERCENTAGE (Page 4)</b>					
<b>(Item divided by Page 4, sum of Lines 2, 3 and 5) x 100.0</b>					
17. Premiums earned plus risk revenue (Line 2 plus Lines 3 and 5) .....	100.0	100.0	100.0	100.0	100.0
18. Total hospital and medical plus other non-health (Lines 18 plus 19) .....	93.1				
19. Cost containment expenses .....	.0	.0	XXX	XXX	XXX
20. Other claims adjustment expenses .....	.0	.0	.0	.0	.0
21. Total underwriting deductions (Line 23) .....	102.8	98.7	103.1	103.6	105.2
22. Total underwriting gain (loss) (Line 24) .....	(1.9)	2.3	1.2	1.1	.0
<b>UNPAID CLAIMS ANALYSIS</b>					
<b>(U&amp;I Exhibit, Part 2B)</b>					
23. Total claims incurred for prior years (Line 13, Col. 5) .....	3,764,759	3,406,924	3,216,126	3,383,980	4,794,477
24. Estimated liability of unpaid claims – [prior year (Line 12, Col. 6)] .....	3,979,382	4,101,344	3,443,204	4,113,648	4,514,589
<b>INVESTMENTS IN PARENT, SUBSIDIARIES AND AFFILIATES</b>					
25. Affiliated bonds (Sch. D Summary, Line 25, Col. 1) .....	.0	.0	.0	.0	.0
26. Affiliated preferred stocks (Sch. D Summary, Line 39, Col. 1) .....	.0	.0	.0	.0	.0
27. Affiliated common stocks (Sch. D Summary, Line 53, Col. 2) .....	.0	.0	.0	.0	.0
28. Affiliated short-term investments (subtotal included in Sch. DA, Part 2, Col. 5, Line 11) .....	.0	.0	.0	.0	.0
29. Affiliated mortgage loans on real estate .....		.0	.0	.0	.0
30. All other affiliated .....		.0	762,387	.0	.0
31. Total of above Lines 25 to 30 .....	0	0	762,387	0	0

Schedule D - Summary By Country

NONE

Schedule D - Verification Between Years

NONE

SCHEDULE T PREMIUMS AND OTHER CONSIDERATIONS

Allocated by States and Territories								
States, Etc.	1	2	Direct Business Only					
	Guaranty Fund (Yes or No)	Is Insurer Licensed? (Yes or No)	3	4	5	6 Federal Employees Health Benefits Program Premiums	7 Life & Annuity Premiums & Deposit Type Contract Funds	8 Property/Casualty Premiums
			Premiums	Medicare Title XVIII	Medicaid Title XIX			
1. Alabama.....AL								
2. Alaska.....AK								
3. Arizona.....AZ								
4. Arkansas.....AR								
5. California.....CA								
6. Colorado.....CO								
7. Connecticut.....CT								
8. Delaware.....DE								
9. District of Columbia.....DC								
10. Florida.....FL								
11. Georgia.....GA								
12. Hawaii.....HI								
13. Idaho.....ID								
14. Illinois.....IL								
15. Indiana.....IN								
16. Iowa.....IA								
17. Kansas.....KS								
18. Kentucky.....KY								
19. Louisiana.....LA								
20. Maine.....ME								
21. Maryland.....MD								
22. Massachusetts.....MA								
23. Michigan.....MI	No	Yes	39,797,794			5,805,391		
24. Minnesota.....MN								
25. Mississippi.....MS								
26. Missouri.....MO								
27. Montana.....MT								
28. Nebraska.....NE								
29. Nevada.....NV								
30. New Hampshire.....NH								
31. New Jersey.....NJ								
32. New Mexico.....NM								
33. New York.....NY								
34. North Carolina.....NC								
35. North Dakota.....ND								
36. Ohio.....OH								
37. Oklahoma.....OK								
38. Oregon.....OR								
39. Pennsylvania.....PA								
40. Rhode Island.....RI								
41. South Carolina.....SC								
42. South Dakota.....SD								
43. Tennessee.....TN								
44. Texas.....TX								
45. Utah.....UT								
46. Vermont.....VT								
47. Virginia.....VA								
48. Washington.....WA								
49. West Virginia.....WV								
50. Wisconsin.....WI								
51. Wyoming.....WY								
52. American Samoa.....AS								
53. Guam.....GU								
54. Puerto Rico.....PR								
55. U.S. Virgin Islands.....VI								
56. Canada.....CN								
57. Aggregate other alien.....OT	XXX	XXX	0	0	0	0	0	0
58. Subtotal.....	XXX	XXX	39,797,794	0	0	5,805,391	0	0
59. Reporting entity contributions for Employee Benefit Plans.....	XXX	XXX						
60. Total (Direct Business).....	XXX	(a) 1	39,797,794	0	0	5,805,391	0	0
DETAILS OF WRITE-INS								
5701. ....	XXX	XXX						
5702. ....	XXX	XXX						
5703. ....	XXX	XXX						
5798. Summary of remaining write-ins for Line 57 from overflow page.....	XXX	XXX	0	0	0	0	0	0
5799. Totals (Lines 5701 thru 5703 plus 5798) (Line 57 above).....	XXX	XXX	0	0	0	0	0	0

Explanation of basis of allocation by states, premiums by state, etc.:  
(a) Insert the number of yes responses except for Canada and other Alien.

SCHEDULE T – PART 2  
INTERSTATE COMPACT PRODUCTS – EXHIBIT OF PREMIUMS WRITTEN

Allocated by States and Territories

		Direct Business Only					
		1	2	3	4	5	6
States, Etc.		Life (Group and Individual)	Annuities (Group and Individual)	Disability Income (Group and Individual)	Long-Term Care (Group and Individual)	Deposit-Type Contracts	Totals
1. Alabama	AL	NONE					0
2. Alaska	AK						0
3. Arizona	AZ						0
4. Arkansas	AR						0
5. California	CA						0
6. Colorado	CO						0
7. Connecticut	CT						0
8. Delaware	DE						0
9. District of Columbia	DC						0
10. Florida	FL						0
11. Georgia	GA						0
12. Hawaii	HI						0
13. Idaho	ID						0
14. Illinois	IL						0
15. Indiana	IN						0
16. Iowa	IA						0
17. Kansas	KS						0
18. Kentucky	KY						0
19. Louisiana	LA						0
20. Maine	ME						0
21. Maryland	MD						0
22. Massachusetts	MA						0
23. Michigan	MI						0
24. Minnesota	MN						0
25. Mississippi	MS						0
26. Missouri	MO						0
27. Montana	MT						0
28. Nebraska	NE						0
29. Nevada	NV						0
30. New Hampshire	NH						0
31. New Jersey	NJ						0
32. New Mexico	NM						0
33. New York	NY						0
34. North Carolina	NC						0
35. North Dakota	ND						0
36. Ohio	OH						0
37. Oklahoma	OK						0
38. Oregon	OR						0
39. Pennsylvania	PA						0
40. Rhode Island	RI						0
41. South Carolina	SC						0
42. South Dakota	SD						0
43. Tennessee	TN						0
44. Texas	TX						0
45. Utah	UT						0
46. Vermont	VT						0
47. Virginia	VA						0
48. Washington	WA						0
49. West Virginia	WV						0
50. Wisconsin	WI						0
51. Wyoming	WY						0
52. American Samoa	AS						0
53. Guam	GU						0
54. Puerto Rico	PR						0
55. U.S. Virgin Islands	VI						0
56. Canada	CN						0
57. Other Alien	OT						0
58. Totals		0	0	0	0	0	0

NONE

SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURER AND HMO MEMBERS OF A HOLDING COMPANY GROUP

PART 1 - ORGANIZATIONAL CHART

Grand Valley Health Corporation

